CONFIDENTIAL

Jordan
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MEMORANDUM OF CONVERSATION
~~DEPARTMENT OF STATE~~ A/CDC/MR

May 18, 1953

REVIEWED BY V WOLF JR DATE 10:05 a.m.
RDS☐or XDS☐EXT. DATE
TS AUTH. REASON(S)
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FOI EXEMPTIONS

SUBJECT: Jordan

PLACE : Office of the Minister of Economy and Reconstruction, Amman.

PARTICIPANTS: United States
Mr. Harold E. Stassen
Mr. M. E. Mattison
Mr. Tracy R. Welling

Jordan
~~H.E. Anwer Khatib~~, Minister of Economy and Reconstruction
Hamad Farhan, Under Secretary of Ministry of Economy and Reconstruction

The party was met by the Minister and his Under Secretary, Hamad Farhan, and two other members of his office staff.

Mr. Stassen stated that at the request of President Eisenhower he was accompanying the Secretary of State, Mr. John Foster Dulles, on a tour of the Near and Far East countries for the purpose of studying the general situation as a preliminary to the establishment of a new foreign policy for the United States. He stated that he appreciated the Minister's willingness to receive him and he invited him to make a statement as to his views of problems of the day.

The Minister extended a very pleasant welcome to Mr. Stassen and indicated that since he had been in office only a few days he had appointed the Under Secretary, Mr. Farhan, to make the official statement.

Mr. Farhan stated that since Jordan had very few natural resources the standard of living was low even before the trouble with Israel and that since that time the refugee population had entered the free labor market with seriously depressing effects. He pointed out that due to the pressure of the half million refugees all competing for employment, wages were excessively low and that the standard of living had rapidly declined to a critical level.

Mr. Farhan mentioned that Jordan had an unfavorable balance of trade and also that it was an artificial state since its governmental revenue was derived largely from outside sources, i.e., Great Britain, UNRWA, Point IV and UN and that revenue from taxation, customs, duties, etc., represented less than half of the total revenue of the government. He pointed out that the Arab Legion received from England both cash and consumer goods as part of the compensation to its members.

Mr. Stassen interposed to ask just what his suggestions were for economic improvement in Jordan. The Minister also asked Mr. Farhan, since the time was short, to confine his talk to suggestions for improvements rather than to academic phases of the economic questions.

Mr. Farhan

Mr. Farhan then stated that the country needed economic and technical aid and that this need was critical. He called attention to the constructive work being accomplished by Point IV and pointed out that while this was good it was not enough and that economic assistance was also essential.

At this point, Mr. Seelye from the American Embassy phoned to advise Mr. Stassen that the American Ambassador was waiting for him to meet a group of refugee representatives at the Embassy.

Mr. Stassen inquired from Mr. Farhan as to where he received his training in economics and was advised that it was in Jerusalem.

Mr. Stassen expressed his pleasure at meeting the Minister and his regret at not having more time to discuss the very interesting subject. He then asked to be excused.

The party left the Ministry at 10:23 a.m. in order for Mr. Stassen to meet the refugee group at the American Embassy.